



STATEMENT OF CONDITION

June 30, 2019

BOARD OF DIRECTORS

| | |
|---|----------------------------------|
| Raymond V. O'Brien III Chairman | George A. Borba Vice Chairman |
| Christopher D. Myers President and CEO | Kristina M. Leslie Director |
| Stephen A. Del Guercio Director | Hal W. Oswalt Director |
| Anna Kan Director | Rodrigo Guerra, Jr. Director |
| Marshall V. Laitsch Director | |

President's Message

CVB Financial Corp. reported the highest quarterly earnings in company history for the second quarter of 2019. Net income was \$54.5 million for the quarter ended June 30, 2019, compared with \$35.4 million for the second quarter of 2018. We also announced our 169th consecutive quarter of profitability and our 119th consecutive cash dividend paid to shareholders.

Financial highlights for the second quarter include total assets of \$11.2 billion at June 30, 2019, total deposit and customer repurchase agreement sweep accounts of \$9.1 billion, and total loans of \$7.5 billion.

Citizens Business Bank recently received both national and local recognition for executing the Community Bank acquisition and integration. Bank Director Magazine ranked this merger as the fifth most transformative bank deal in the nation for 2018. And, the Orange County Chapter of the Association for Corporate Growth presented CVBF with the Spotlight Deal of the Year Award at their 2019 banquet. We are also proud to be recognized as a "W" Winning Company by 2020 Women on Boards for having a gender-diverse Board of Directors with at least 20% women directors before the year 2020.

With the acquisition fully integrated, Citizens Business Bank now operates 58 Business Financial Centers and three trust office locations throughout Southern and Central California.

CitizensTrust, our wealth management division that provides trust, investment, and brokerage-related services, as well as financial, estate and business succession planning, had approximately \$2.8 billion in assets under management and administration, including \$2.0 billion in assets under management at quarter end.

Shares of CVB Financial Corp. common stock are listed on the NASDAQ under the ticker symbol "CVBF." If you are new to CVB Financial Corp. and would like more information about Citizens Business Bank, our principal financial services subsidiary, please visit us on our website, cbbank.com. Additional information about CVB Financial Corp. is available on the website under the "Investors" tab.

On behalf of our Board of Directors and all of our associates, we thank our customers and shareholders for their continued loyalty and support.

President & Chief Executive Officer
CVB Financial Corp., Citizens Business Bank

LEADERSHIP TEAM

| | |
|---|---|
| Christopher D. Myers President and CEO | David R. Klatt SVP, Chief Information Officer |
| E. Allen Nicholson EVP, Chief Financial Officer | Joyce Y. Kwon SVP, Director of Human Resources |
| David A. Brager EVP, Sales Division | Daniel Limon SVP, Real Estate Banking |
| David C. Harvey EVP, Chief Operations Officer | Michael B. Mulcahy SVP, Los Angeles Region-Metro |
| David F. Farnsworth EVP, Chief Credit Officer | Timothy B. Noone EVP, Specialty Banking |
| R. Daniel Banis EVP, CitizensTrust | Mark C. Richardson SVP, Real Estate Banking |
| Jeffrey S. Boyer SVP, Los Angeles Region-North | LaVon M. Short SVP, Sales & Marketing |
| Yamynn De Angelis EVP, Chief Risk Officer | Michael D. Stain SVP, Central Valley Region |
| Ted J. Dondanville EVP, Senior Lender | David S. Stong SVP, San Diego Region |
| Donald E. Evenson SVP, Chief Investment Officer | Richard H. Wohl EVP, General Counsel |
| Gilbert W. Estrada SVP, Inland Empire Region | Elsa I. Zavala EVP, Chief Information Security Officer |
| Richard M. Favor SVP, Central Coast Region | Robert E. Zeltner SVP, Orange County Region |
| Deborah G. Gallagher SVP, SBA Group | G. Larry Zivelonghi EVP, Dairy & Livestock Industries |
| Hector G. Gutierrez, Esq. EVP, Deputy Chief Credit Officer | |

119

CONSECUTIVE QUARTERS
OF CASH DIVIDENDS PAID

169

CONSECUTIVE QUARTERS
OF PROFITABILITY

\$106.1 million

NET INCOME
as of 6.30.19

#1 Best Bank
IN CALIFORNIA
Forbes, 2019¹

Five-Star
SUPERIOR RATING
BauerFinancial, 2019

Best-Performing
BANKS IN THE NATION
S&P Global, 2018²

Financials ▶

CVB Financial Corp. ("CVBF") is the holding company for Citizens Business Bank. CVBF is one of the 10 largest bank holding companies headquartered in California with over \$11 billion in total assets. Citizens Business Bank is consistently recognized as one of the top performing banks in the nation and offers a wide array of banking, lending and investing services through over 50 banking centers and 3 trust office locations serving the Inland Empire, Los Angeles County, Orange County, San Diego County, Ventura County, Santa Barbara County, and the Central Valley area of California.

¹ Ranked #4 in the Nation. #1 is derived from California State filter of all rankings nationwide provided by forbes.com

² S&P Global Market Intelligence ranked CVB Financial Corp. the #2 Best-Performing Regional Bank of 2018 with \$10 billion to \$50 billion in assets.

Condensed Consolidated Balance Sheets

| <i>(Dollars in thousands, except share amounts)</i> <i>(Unaudited)</i> | June 30, 2019 | December 31, 2018 |
|---|----------------------|----------------------|
| Assets | | |
| Cash and due from banks | \$ 170,387 | \$ 144,008 |
| Interest-earning balances due from Federal Reserve | 5,453 | 19,940 |
| Total cash and cash equivalents | 175,840 | 163,948 |
| Interest-earning balances due from depository institutions | 6,425 | 7,670 |
| Investment securities available-for-sale, at fair value (with amortized cost of \$1,584,687 at June 30, 2019, and \$1,757,666 at December 31, 2018) | 1,600,020 | 1,734,085 |
| Investment securities held-to-maturity (with fair value of \$729,032 at June 30, 2019, and \$721,537 at December 31, 2018) | 728,113 | 744,440 |
| Total investment securities | 2,328,133 | 2,478,525 |
| Investment in stock of Federal Home Loan Bank (FHLB) | 17,688 | 17,688 |
| Loans and lease finance receivables | 7,535,690 | 7,764,611 |
| Allowance for loan loss | (67,132) | (63,613) |
| Net loans and lease finance receivables | 7,468,558 | 7,700,998 |
| Premises and equipment, net | 54,163 | 58,193 |
| Bank owned life insurance (BOLI) | 224,172 | 220,758 |
| Accrued interest receivable | 29,481 | 30,649 |
| Intangibles | 48,094 | 53,784 |
| Goodwill | 663,707 | 666,539 |
| Other real estate owned (OREO) | 2,275 | 420 |
| Income taxes | 49,581 | 62,174 |
| Other assets | 103,466 | 67,807 |
| Total assets | \$ 11,171,583 | \$ 11,529,153 |
| Liabilities and Stockholders' Equity | | |
| Liabilities: | | |
| Deposits: | | |
| Noninterest-bearing | \$ 5,250,235 | \$ 5,204,787 |
| Interest-bearing | 3,412,588 | 3,622,703 |
| Total deposits | 8,662,823 | 8,827,490 |
| Customer repurchase agreements | 421,271 | 442,255 |
| Other borrowings | - | 280,000 |
| Deferred compensation | 20,953 | 20,033 |
| Junior subordinated debentures | 25,774 | 25,774 |
| Other liabilities | 104,085 | 82,411 |
| Total liabilities | 9,234,906 | 9,677,963 |
| Commitments and Contingencies | | |
| Stockholders' Equity | | |
| Common stock, authorized, 225,000,000 shares without par; issued and outstanding 140,141,680 at June 30, 2019, and 140,000,017 at December 31, 2018 | 1,296,885 | 1,293,669 |
| Retained earnings | 631,512 | 575,805 |
| Accumulated other comprehensive income (loss), net of tax | 8,280 | (18,284) |
| Total stockholders' equity | 1,936,677 | 1,851,190 |
| Total liabilities and stockholders' equity | \$ 11,171,583 | \$ 11,529,153 |

Condensed Consolidated Statements of Earnings

| <i>(Dollars in thousands, except per share amounts)</i> <i>(Unaudited)</i> | For the Three Months ended June 30, 2019 2018 | |
|---|---|------------------|
| Interest income: | | |
| Loans and leases, including fees | \$ 101,843 | \$ 57,368 |
| Investment securities: | | |
| Investment securities available-for-sale | 10,118 | 11,697 |
| Investment securities held-to-maturity | 4,426 | 4,807 |
| Total investment income | 14,544 | 16,504 |
| Dividends from FHLB stock | 298 | 298 |
| Interest-earning deposits with other institutions | 100 | 635 |
| Total interest income | 116,785 | 74,805 |
| Interest expense: | | |
| Deposits | 4,093 | 1,549 |
| Borrowings and customer repurchase agreements | 1,377 | 337 |
| Junior subordinated debentures | 258 | 231 |
| Total interest expense | 5,728 | 2,117 |
| Net interest income before provision for (recapture of) loan losses | 111,057 | 72,688 |
| Provision for (recapture of) loan losses | 2,000 | (1,000) |
| Net interest income after provision for (recapture of) loan losses | 109,057 | 73,688 |
| Noninterest income: | | |
| Service charges on deposit accounts | 5,065 | 4,091 |
| Trust and investment services | 2,452 | 2,399 |
| Bankcard services | 1,027 | 958 |
| BOLI income | 1,349 | 1,069 |
| Gain on OREO, net | 24 | - |
| Gain on eminent domain condemnation, net | 5,685 | - |
| Other | 2,603 | 1,178 |
| Total noninterest income | 18,205 | 9,695 |
| Noninterest expense: | | |
| Salaries and employee benefits | 28,862 | 21,051 |
| Occupancy and equipment | 5,641 | 4,318 |
| Professional services | 2,040 | 1,690 |
| Software licenses and maintenance | 2,542 | 1,759 |
| Marketing and promotion | 1,238 | 1,148 |
| Amortization of intangible assets | 2,833 | 328 |
| Acquisition related expenses | 2,612 | 494 |
| Other | 4,760 | 3,466 |
| Total noninterest expense | 50,528 | 34,254 |
| Earnings before income taxes | 76,734 | 49,129 |
| Income taxes | 22,253 | 13,756 |
| Net earnings | \$ 54,481 | \$ 35,373 |
| Basic earnings per common share | \$ 0.39 | \$ 0.32 |
| Diluted earnings per common share | \$ 0.39 | \$ 0.32 |
| Cash dividends declared per common share | \$ 0.18 | \$ 0.14 |

